GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:142
ANSWERED ON:10.12.2004
NEW MARKET FOR EXPORT
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Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to look for new markets for export of Textile, Handloom and Handicraft items;

(b) if so, the details thereof;

(c) whether any new markets for some specific exports have been explored during the last year;

(d) if so the details thereof;

(e) the steps being taken by the Government to promote the exports of Textile, Handloom and Handicraft items; and

(f) the success achieved by the Government by taking such steps?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (f) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 142 FOR 10-12-2004

(a) to (b) India's textile products, including handlooms and handicrafts, are exported to more than hundred countries. However, USA, EU Member States, U.A.E., Canada, Bangladesh, Saudi Arabia, Republic of Korea, Russia, Japan and Hong Kong China, are the top ten importers of our textile goods. Government's export promotion efforts are directed to deepen the presence of Indian textiles in major importing countries like US and EU, and simultaneously explore new export avenues in the Latin America, Africa, CIS region, ASEAN countries, Australia and New Zealand.

(c) to (d) Ten Export Promotion Councils, Jute Manufacturers Development Council and Coir Board are regularly conducting market driven export promotion programmes; and besides, the Government have also mounted High level textile delegations to countries like Tunisia, Morocco, Mauritius etc. for developing textile trade with such countries.

(e) Government have been taking a number of measures to promote textile exports including handlooms and handicrafts, some of which are given below:-

i) The Export Promotion Councils have been undertaking export promotion events like participation in overseas exhibitions/fairs, organizing BSMs abroad, overseas publicity, sponsoring trade delegations etc. in consultation with Indian Missions abroad.

ii) For promoting handicrafts exports, Office of the Development Commissioner (Handicrafts) implements `Export Promotion` scheme which envisages development & promotion of exportable products, identification of markets, participation in fairs & exhibitions, publicity abroad etc. The other promotional steps include: organization of Indian Handicrafts and Gift Fair/Carpet Expo and setting up of India Exposition Mart at Greater Noida to provide round the clock marketing outlets for the foreign buyers.

iii) In order to give impetus to the export of handloom products, a scheme namely `Handloom Export Scheme` is being implemented. The Scheme envisages provision of financial assistance to the handloom agencies such as National and State Level Handloom Corporations, Apex Cooperative Societies, Primary Handloom Weavers` Cooperative Societies and Private Handloom Exporters for development of export worthy handloom products, publicity & international marketing thereof and setting up of value addition/quality control units. Financial assistance is also provided under the scheme to Handloom Export Promotion Council (HEPC), Association of Corporations and Apex Societies of Handlooms (ACASH) etc. for organising participation of their members in international fairs/exhibitions/Buyer-Seller-Meets.

iv) Under the Market Access Initiative Scheme, financial assistance is extended for medium term export promotion efforts with a sharp focus on a country and product. Besides, MDA assistance for participation in Trade Fairs abroad and travel grant is available to exporters if they travel to countries in one of the four Focus Areas, such as, Latin America, Africa, CIS Region, ASEAN countries, Australia and New Zealand.

Besides, Government has been taking initiatives to enhance the export competitiveness of India's textile industry. Some of the

important initiatives are:-

i) The Government has de-reserved the woven segment of readymade garment from the SSI sector. It has also raised the SSI investment limit for knitted segment to Rs. 5 crores.

ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.

iv) With a view to making fabric production competitive, the custom duty on shuttleless looms has been brought from 15% to 5%.

v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

vi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

vii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

viii) For upgrading infrastructure facilities at important textile centers, a scheme 'Textile Centre Infrastructure Development Scheme' (TCIDS) has been launched.

(f) As per Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, the textile exports have recorded a growth of 15.3% in 2002-2003 and 6.0% in 2003-2004. During the period April-June 2004, textile exports were US$ 3035.5 million, recording a growth of 6.5% as compared to the corresponding period of previous year.